MINUTES SUBJECT TO CORRECTION BY THE VERMONT RAIL COUNCIL. CHANGES, IF ANY, WILL BE RECORDED IN THE MINUTES OF THE NEXT MEETING OF THE COUNCIL.

VERMONT RAIL COUNCIL MINUTES OF MEETING 5TH FLOOR BOARD ROOM NATIONAL LIFE BUILDING MONTPELIER, VERMONT June 22, 2005

MEMBERS PRESENT: Sam Lewis, Chairperson

Dave Wulfson George Barrett Richard Moulton Charlie Moore William McCormick Paul Guare

Mike Coates Rep. A lbert "Sonny" Audette

OTHERS PRESENT: Dawn Terrill, VTrans Secretary of Transportation

Charlie Miller, VTrans Rail Operations Section Nancy Rice, VTrans Rail Operations Section

Scott Bascom, VTrans Planning

Chris Andreasson, Vermont Transit Co., Inc. Anthony Otis, Railroad Association of Vermont Anne Candon, VTrans Rail Operations Section

Barry Driscoll, VTrans Planning

John Vincent, VTA

Sen. Hull Maynard, Legislature Jim Brogan, Cambridge Systematics

1. Call to Order and Approval of Minutes

Sam Lewis called the meeting to order at 1:05 p.m. Introductions were made.

Approval of April 19, 2005 Minutes

MOTION by Paul Guare, SECOND by Rick Moulton, to approve the minutes of 4/19/05 as written. VOTING: unanimous; motion carried.

2. Legislative Update

Sam Lewis reported the legislature passed the transportation bill which is now awaiting signature by the Governor. The rail appropriation was increased by approximately \$3 million. Passenger Rail Service (Amtrak) received \$2.6 million (down from \$3 million). The Transportation Fund received about \$1.2 million in state funds and \$1.2 million in federal funds for rail projects (i.e. funds were moved from the Program Development appropriation to the Rail Operations appropriation). State funds of \$700,000 were added for the Bellows Falls tunnel project with language anticipating the federal earmark. The Lamoille Valley rail-to-trail project received \$75,000 in funding. The total rail appropriation is \$10,547,202. Another extension of the federal transportation authorization bill is anticipated. Jeff Munger noted the House bill is about projects while the Senate allocation is about increasing formula money for states. Charlie Miller stated the Federal Transportation Appropriation Subcommittee appropriated \$550 million for

Amtrak which Amtrak said is a shut down number for them. Charlie Moore reported Amtrak asked NECR to operate their trains and NECR agreed. Jeff Munger said Senator Jeffords signed a letter to the President supporting \$1.8 billion for Amtrak. If the appropriations bill is not passed by October 1, 2005, Amtrak will run out of money.

Sen. Hull Maynard suggested the Bellows Falls tunnel project be done using the \$700,000 state funding to allow more revenues to flow into the state. It was noted the total project cost is \$900,000, but clearance for auto rack and double stack cars could be achieved with \$700,000. The federal earmark is not at risk if the state does the work before receiving the federal funds. Jeff Munger stated requests for reimbursement have been accepted in the past via letter. The funding is being dual tracked in Washington (D.C.): money for the Bellows Falls tunnel and the annual transportation appropriation. Both Sen. Leahy and Sen. Jeffords are requesting the funds. Dawn Terrill urged that the scope of the project be defined to where the state can accomplish a complete portion. Charlie Miller assured this is the direction being taken.

Rep. Sonny Audette asked about the salvage value of material from the Lamoille Valley rail-to-trail project. Sam Lewis stated the funds are being put into the transportation fund and indirectly the \$75,000 added to the rail budget for the maintenance of the trail. Rep. Audette suggested using \$200,000 from the Lamoille Valley project to complete the Bellows Falls tunnel project (\$700,000 plus \$200,000). Mr. Lewis explained the project cost of \$900,000 is only an estimate. Also, there is an eight mile area of track that can not be accessed due to flooding and wash out, so some work may have to wait until VAST does their project. The legislature authorized \$700,000 and VTrans must work within that parameter. VTrans will look at timing, scope and funding. It is not known why the legislature decided on \$700,000 when there was testimony in support of \$900,000 for the project. Discussions started at \$500,000 and increased to \$700,000. Rep. Audette stated the Conference Committee was aware of the federal earmark and some members wanted to wait for the federal money. Following further discussion, there was agreement by the Rail Council that the Bellows Falls tunnel project needs to move forward immediately.

Charlie Moore asked about OTM from the Lamoille Valley rail line. Charlie Miller stated there may be some rail that was misidentified for size. NECR and VTR may be able to use a half mile of track. Approximately 12 miles of track will go to the state. VTrans and NECR will further discuss the purchase of rail for price comparison purposes at another time.

3. Northeast Rail Operations Study (NEROps Study)

Jim Brogan with Cambridge Systematics gave an overview of the I-95 Coalition (16 states) and NEROps. The I-95 Coalition is a consensus driven body of transportation organizations that looks at transportation and economic issues from a regional perspective across modes (such as how to handle a volume of passenger and freight traffic). MAROps (mid-Atlantic Railroad Operations) asked the I-95 group to look at choke points and infrastructure issues on the east coast rail system. The result was a program of 71 infrastructure, technology, and operations improvements and impacts of improvements along with costs for the system-wide improvements. The I-95 Coalition

also recommended doing the same study in the northeast region. Hence, the NEROps study. The MAROps model will be used for the NEROps study to identify a regional strategy to improve the northeast rail system's ability to handle increased volume of passenger and freight traffic. Operational and institutional bottlenecks will be identified. The existing system will be mapped and a program of improvements specified. A steering committee of state departments of transportation is being established to identify key stakeholders, such as railroads, metropolitan planning organizations, economic development groups, and port authorities. There have been many regional studies done and a subset of regional studies done, but not focused on rail (the studies have been of the transportation system overall). MAROps recognized the political ramifications, and created a language as a mechanism to do regional improvements, such as pointing out how helping to pay for improvement of a choke point in one state can benefit their state. The NEROps study is funded by the I-95 Coalition which includes Quebec and New Brunswick, Canada. The Coalition itself is precluded from lobbying. Funding is from a set aside in the ITS program channeled through the Federal Highway Administration. The member agencies of the Coalition can testify and lobby. Next steps include a meeting on September 15, 2005 of the NEROps steering committee and stakeholders with the I-95 Coalition to review information.

Sam Lewis noted the discussion at an earlier meeting with Mr. Brogan covered institutional, structural, and operational barriers to an efficient railroad system. Mike C oates expressed interest in following through on sections unique to V erm ont's situation including environmental issues and dissemination of information after it is compiled.

The timeline for NEROps is interviews in the summer, meeting of the steering committee in September, meetings and conference calls in the fall, and a final report by January, 2006. Jim Brogan can be contacted via email: jbrogan@camsys.com.

4. Economic Development Issues

Sam Lewis reported regional planning commissions are being asked to add to their FY06 work program the task of identifying marketable and developable property adjacent to railroad property throughout the state for industrial, commercial, and rail dependent use. The premise is that rail is located where it is and there is only so much land. Each piece of land that is sold is an opportunity lost. There is value in the land along the rail corridors. The goal is to get towns to recognize, identify, and value the land along the rail corridor. There will be a summary report, a catalog, and mapping of the parcels. Information will be a GIS layer on the state website, in the VTrans office, in regional planning commission offices, and in economic development offices. Dave Wulfson commented the information must be kept current to be of any use.

5. Spending Plan on ABRB-E

Sam Lewis explained the goal to create a facility that is passenger capable from Hoosick to Essex, but funding is limited. Approximately \$90 million is needed for work on bridges, crossings, signalization, and track structures. Projects need to be broken into pieces that can be done, and a priority list needs to be created. Charlie Miller reviewed w ork progress to date on V erm on t's w estern rail corridor, north to south. R ail from

Burlington to Charlotte is class 3 (passenger trains can travel at 59 mph). Between Charlotte and Vergennes, rail will be installed (the work is in the schedule and the materials have been purchased). The section between Vergennes and Middlebury has issues to be addressed (track, ties, ballast, surfacing, switches). From Middlebury to Florence there is potential for additional significant material to be transported by rail, but track work, ties, ballast, and switches are needed (the track is class 3 in need of improvements). The work is not scheduled at this point. From Florence to the train station in Rutland, conditions are tough. About \$1 million will be spent on two miles of corridor that handles freight trains (eight trains a day) and the Ethan Allen Express (from the station area to north of the turn to go north (CLP switch). With regard to bringing the track up to 286,000 pound capacity, most of the weight issues are related to structures in the corridor. From Rutland to East Danby, there is low freight now, but a significant customer is waiting to use the line once the improvements are made. The track is upgraded from Manchester south to Hoosick Jct. Work is being done on Bridge #63. About \$15 million (state and federal funding) has been spent on these improvements which are for freight traffic. Vermont Railway freight customers in southern Vermont include a grain shipper, gas shipper, and plastic shipper. The elements of the western corridor include ABRB, Rutland rail yard, the Middlebury spur, and St. Albans River Street section. TCSP money was used for the study and an EIS for the Rutland rail yard relocation project and a center for more expeditious shipment of freight out of the yard. An access road was built and the Route 4 crossing as well. Charlie Miller noted there is \$9 million in federal funds to work with along with approximately \$2 million in ABRB money that is focused on bridges. The bridge work will cost \$7 million for 286,000 capacity between Florence and Rutland. The work is slated to take three years to complete.

The Rail Council was asked to prioritize the rail sections to be improved. Rick Moulton suggested the work from Florence to Essex be done in order to have connections up the western corridor. Dave Wulfson suggested no money be spent on improvements south of Rutland until there is Amtrak service in Manchester.

MOTION by Mike Coates, SECOND by George Barrett, to concentrate funding for ABRB on the section from Rutland to Essex.

<u>DISCUSSION</u>: Paul Guare suggested a similar process to selecting highway projects (i.e. inventory, rating, selection) be employed for the rail projects. There was discussion of progressing north with the work or doing portions throughout the identified area. It was noted 286,000 pound capacity is a priority. With such capability, OMYA can ship fully loaded rail cars, for example. Also, if the western corridor is improved, Amtrak might come through Hoosick into Vermont. Rick Moulton commented the CCMPO's priority is to keep the track upgraded and deal with the tunnel. Charlie Moore stated the priority should be to get Amtrak into Burlington so the eight mile section between Burlington and Essex should be upgraded for the Vermonter. Mr. Moore emphasized the NECR Burlington branch is not for sale. Rep. Audette suggested the target area begin in Florence and head northward. Dave Wulfson pointed out there is needed bridge work between

Rutland and Florence. Rick Moulton suggested the motion specify work be done from south to north. Sen. Hull suggested the work be done Rutland to Florence then Burlington to Essex followed by remaining projects in the middle section (in prioritized order). Rick Moulton suggested the motion be amended to prioritize to Florence and re-examine the remaining project priorities on the basis of need. Barry Driscoll pointed out within the ranking of the projects, those projects that create jobs or opportunity for passenger rail service could be identified. Mike Coates clarified his motion was simply to plot the direction of the work, not micro-manage.

CALL THE QUESTION by Paul Guare. Discussion ceased. VOTING: unanimous; motion carried.

Staff will provide a list of the rail projects to the Rail Council.

6. State Rail Plan Update

Scott Bascom gave an update on the State Rail Plan. Public meetings have been held. There is a refocusing of how modal plan updates will be done. The Rail Plan will follow the new modal plan outline of a more performance based approach with goals, objectives, and a clear implementation plan.

Sen. Maynard stressed the need to discuss the Rutland rail yard in the Rail Plan. The motivation of the legislature is to move freight off of the highways and onto rail because roads are deteriorating at a rate of \$60 million per year. The legislature authorized \$40 million for paving this year which is not enough so ways to have less truck traffic on the roads are being sought. The bridges should be brought up to 286,000 pound capacity so trucks are not needed to pick up freight from 286,000 rail cars that cannot travel on rail in Vermont. Scott Bascom assured the goal is to keep rail viable and healthy, and one measure of this would be increased traffic by rail. Paul Guare cautioned that the highway problems will not be solved by shifting a certain number of truck freight to rail. The highways still need to be maintained. Anthony Otis mentioned the economic impact study that was done on the transfer of truck traffic to rail. A copy will be forwarded to the Rail Council.

Rick Moulton summarized the Rail Plan needs to be a tool used to justify expenditure for rail. Mr. Moulton suggested the environmental benefits noted in the Rail Plan be expanded.

Mr. Bascom explained "scenario planning" as part of the Plan for ranges of investment. Mike Coates stressed the need to look at bringing the entire system to 286,000 pound capacity as an ultimate goal, and the cost can be justified by the amount of freight that can be removed from the roads. In addition, the environmental group behind improving rail is a powerful lobby and the state should take advantage of this by expanding the section on the environmental advantages of improving the rail system. Dave Wulfson suggested the same segments identified by the infrastructure subcommittee be used for the scenarios.

Charlie Miller noted if the state goes to performance based budgeting, then more information on the impacts of improvements on rail activity will be needed.

7. RRA Economic Study

Postponed.

8. Other Business

Vermont Rail Authority

Sam Lewis announced a summer study committee will be formed in July to discuss the formation of a rail authority. The study committee will make a recommendation to the legislature by January, 2006.

MOTION by Paul Guare, SECOND by George Barrett, to nominate Mike Coates as the representative from the Rail Council to serve on the summer study committee. VOTING: unanimous; motion carried.

Vermont Rail Day

July 16, 2005 is Vermont Rail Day to be held in Essex Junction during the Essex Junction Annual Block Party. Two trains will travel to Essex Junction, one originating in Montpelier and one originating in St. Albans. The public is urged and welcome to attend the event.

Joint Meeting with Other Advisory Councils

A joint meeting with the air, public transit, operations, and rail councils will be scheduled in September, 2005.

9. Next Meeting/Agenda Items

Next Meeting: August 24, 2005, 1 p.m. - 4 p.m., National Life Building, Montpelier.

Agenda Items:

-RRA Economic Study

10. Adjournment

MOTION by Mike Coates, SECOND by George Barrett, to adjourn the meeting. VOTING: unanimous; motion carried.

The meeting was adjourned at 3:45 p.m.

Minutes respectfully submitted by M.Riordan, Recording Secretary.

"TO DO" L ist from 6/22/05 Rail Council Meeting:

- 1. Staff will provide a list of the rail projects to the Rail Council.
- 2. Anthony Otis will forward a copy of the rail economic impact study to the Rail Council.